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1946.

File No. O.Wages/46

Legal Department

A BRANCH

Subject:— Opinions under the Payment of Wages Act, 1936.

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C O N T E N T S.

Legal Department File Hel. O.Wages /1946.

Sr.No.	R.I./O.No.	Subject	Pages
1.	5293 29-7-46	Payment of Wages Act. 1936. Sec. 8 of the How the accumulated amounts of fines imposed under the above Sec. should be be disposed of if the Factory is totally closed down.	1-2

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The question for the consideration of the R.L.A. is now the accumulated amounts of fines imposed under section 8 of the Payment of Wages Act, 1936, should be disposed of if if the factory is totally closed down.

2. Section 94 of the Indian Trusts Act, 1882, provides that in any case not coming within the scope of any of the preceding sections, where there is no trust, but the person having possession of the property has not the whole beneficial interest therein, he must xx hold the property for the benefit of the persons having such interest or the residue thereof (as the case may be) to the extent necessary to satisfy their just demands. Sub-section (8) of section 8 of the Payment of Wages Act, 1936, enacts that all fines and all realisations thereof shall be recorded in a register to be kept by h the person responsible for the payment of wages under section 3, in such form as may be prescribed; and all s such realisations shall be applied only to <u>such purposes beneficial to the persons employed in the factory or establishment</u> as are approved by the prescribed authority. It is therefore apparent that the management will be holding all fines and all realisations thereof under section 8 xxxx trustee for the benefit of its employees and in the event of the factory closing down it would not be competent xx for the management to transfer the accumulated amounts of fines to the general account as an ordinary asset. The management, even after the factory has closed down, will have to continue to hold the accumulated amounts of fines on trust for the benefit of the persons employed in that factory and to apply them only to such purposes as are

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ppreved by the prescribed authority on pain of penalty

under section 20(1) .

Sd/-P.N.Neoa
26-6-7-46

O.O. Remembrancer of Legal Affairs.

~~xxxxxxxx~~ U.O.R. to P.&.S.D.No. 5293. dated the 29th July 1946.

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